

AMENDED IN ASSEMBLY MAY 31, 2001

AMENDED IN ASSEMBLY APRIL 5, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 549

Introduced by Assembly Member Longville

February 21, 2001

An act to add ~~Section 25402.6 to the Public Resources Code, and to amend Section 399.15 of the Public Utilities Code~~ *Sections 25402.6 and 25402.7 to the Public Resources Code*, relating to energy resources, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 549, as amended, Longville. California Energy Commission: building-efficiency standards.

(1) Existing law requires the State Energy Resources Conservation and Development Commission to prescribe, by regulation, various energy efficiency design standards for residential and nonresidential buildings.

~~This bill would require the commission to monitor compliance with building energy efficiency standards by checking compliance documentation with actual construction in the field.~~

This bill would require the commission to investigate options and develop a plan to decrease wasteful peak load energy consumption in existing residential and nonresidential buildings. The bill would require the commission to report its findings, on or before ~~April 1, 2002~~ *January 1, 2003*, to the Legislature.

The bill would require the commission to certify energy consultants, installers, field verifiers, and nonresidential building standards agents, as it determines appropriate, to ensure compliance with all applicable building energy efficiency standards.

This bill would require electric and gas utilities to provide support for building standards in consultation with the State Energy Resources Conservation and Development Commission.

~~(2) Existing law requires the Public Utilities Commission, in consultation with the Independent System Operator, to consult with the State Energy Resources Conservation and Development Commission and adopt energy conservation initiatives to reduce demand for electricity and reduce load during peak demand periods.~~

~~This bill would add, as another initiative, support for building standards and other cost effective energy efficiency regulations and support for development of the infrastructure to implement those standards and other regulations.~~

~~(3) The bill would appropriate \$500,000 from the General Fund to the commission, to be expended for the purposes of the compliance monitoring required by the bill.~~

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25402.6 is added to the Public
- 2 Resources Code, to read:
- 3 ~~25402.6. (a) In conjunction with the existing activities of~~
- 4 ~~local building departments, the commission shall, upon the receipt~~
- 5 ~~of a complaint by a local building official, monitor compliance~~
- 6 ~~with the building energy efficiency standards by checking~~
- 7 ~~compliance documentation with actual construction in the field.~~
- 8 ~~(b)~~
- 9 25402.6. The commission shall investigate options and
- 10 develop a plan to decrease wasteful load energy consumption in
- 11 existing residential and nonresidential buildings. On or before
- 12 ~~April 1, 2002~~ January 1, 2003, the commission shall report its
- 13 findings to the Legislature, including, but not limited to, any
- 14 changes in law necessary to implement the plan to decrease
- 15 wasteful peak load energy consumption in existing residential and
- 16 nonresidential buildings.



~~(c) The commission shall certify energy consultants, installers, field verifiers, and nonresidential building standards agents, as it determines appropriate, to ensure compliance with all applicable building energy efficiency standards. To the extent feasible, the commission shall approve private organizations to conduct the certification program required by this subdivision. The certification program shall also include a complaint response process.~~

~~SEC. 2. Section 399.15 of the Public Utilities Code is amended to read:~~

~~399.15. Notwithstanding any other provision of law, within 180 days of the effective date of this section, the commission, in consultation with the Independent System Operator, shall take all of the following actions, and shall include the reasonable costs involved in taking those actions in the distribution revenue requirements of utilities regulated by the commission, as appropriate:~~

~~(a) (1) Identify and undertake those actions necessary to reduce or remove constraints on the state's existing electrical transmission and distribution system, including, but not limited to, reconductoring of transmission lines, the addition of capacitors to increase voltage, the reinforcement of existing transmission capacity, and the installation of new transformer banks. The commission shall, in consultation with the Independent System Operator, give first priority to those geographical regions where congestion reduces or impedes electrical transmission and supply.~~

~~(2) Consistent with the existing statutory authority of the commission, the commission shall afford electrical corporations a reasonable opportunity to fully recover costs it determines are reasonable and prudent to plan, finance, construct, operate, and maintain any facilities under its jurisdiction required by this section.~~

~~(b) In consultation with the State Energy Resources Conservation and Development Commission, adopt energy conservation demand-side management and other initiatives in order to reduce demand for electricity and reduce load during peak demand periods. Those initiatives shall include, but not be limited to, all of the following:~~

~~(1) Expansion and acceleration of residential and commercial weatherization programs.~~

~~(2) Expansion and acceleration of programs to inspect and improve the operating efficiency of heating, ventilation, and air-conditioning equipment in new and existing buildings, to ensure that these systems achieve the maximum feasible cost-effective energy efficiency.~~

~~(3) Expansion and acceleration of programs to improve energy efficiency in new buildings, in order to achieve the maximum feasible reductions in uneconomic energy and peak electricity consumption.~~

~~(4) Incentives to equip commercial buildings with the capacity to automatically shut down or dim nonessential lighting and incrementally raise thermostats during peak electricity demand period.~~

~~(5) Evaluation of installing local infrastructure to link temperature setback thermostats to real-time price signals.~~

~~(6) Incentives for load control and distributed generation to be paid for enhancing reliability.~~

~~(7) Differential incentives for renewable or super clean distributed generation resources.~~

~~(8) Reevaluation of all efficiency cost effectiveness tests in light of increases in wholesale electricity costs and of natural gas costs to explicitly include the system value of reduced load on reducing market clearing prices and volatility.~~

~~(9) Support for building standards and other regulations pursuant to Section 25402 of, and subdivision (b) of Section 25553 of, the Public Resources Code and for development of the infrastructure to implement those standards and other regulations.~~

~~(e) In consultation with the Energy Resources Conservation and Development Commission, adopt and implement a residential, commercial, and industrial peak reduction program that encourages electric customers to reduce electricity consumption during peak power periods.~~

SEC. 2. Section 25402.7 is added to the Public Resources Code, to read:

25402.7. In consultation with the State Energy Resources Conservation and Development Commission, electric and gas utilities shall provide support for building standards and other regulations pursuant to Section 25402 and subdivision (b) of Section 25553 including appropriate research, development, and training to implement those standards and other regulations.

1 SEC. 3. The sum of five hundred thousand dollars (\$500,000)
2 is hereby appropriated from the General Fund to the State Energy
3 Resources Conservation and Development Commission, to be
4 expended for the purposes of Section 25402.6 of the Public
5 Resources Code.

O

